
SENATE BILL 6179

State of Washington 60th Legislature 2007 1st Special Session

By Senators Roach, McCaslin, Holmquist, Stevens, Sheldon and Benton

Read first time 11/29/2007. Referred to Committee on Ways & Means.

1 AN ACT Relating to reinstating property tax limits adopted by the
2 voters under prior statewide initiatives; reenacting and amending RCW
3 84.55.005 and 84.55.0101; creating new sections; repealing RCW
4 84.55.092; and declaring an emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** The legislature finds that Washington state
7 voters have repeatedly expressed their will to limit taxing districts'
8 property tax collections absent voter approval. In 2000, voters
9 approved Initiative Measure No. 722 which provided for the elimination
10 of taxing districts' banked capacity. In 2001, voters approved
11 Initiative Measure No. 747 which limited the growth of taxing
12 districts' regular property tax levies to one percent higher than the
13 previous year. The legislature recognizes the supreme court
14 invalidated both initiatives, and finds it is of paramount interest to
15 the people of the state of Washington, and in conformance with the
16 expressed will of the voters, that the one percent limit and the
17 elimination of banked capacity be reenacted and reaffirmed.

1 **Sec. 2.** RCW 84.55.005 and 1997 c 393 s 20 and 1997 c 3 s 201 are
2 each reenacted and amended to read as follows:

3 As used in this chapter:

4 (1) "Inflation" means the percentage change in the implicit price
5 deflator for personal consumption expenditures for the United States as
6 published for the most recent twelve-month period by the bureau of
7 economic analysis of the federal department of commerce in September of
8 the year before the taxes are payable;

9 (2) "Limit factor" means:

10 (a) For taxing districts with a population of less than ten
11 thousand in the calendar year prior to the assessment year, one hundred
12 (~~six~~) one percent;

13 (b) For taxing districts for which a limit factor is authorized
14 under RCW 84.55.0101, the lesser of the limit factor authorized under
15 that section or one hundred (~~six~~) one percent;

16 (c) For all other districts, the lesser of one hundred (~~six~~) one
17 percent or one hundred percent plus inflation; and

18 (3) "Regular property taxes" has the meaning given it in RCW
19 84.04.140.

20 **Sec. 3.** RCW 84.55.0101 and 1997 c 3 s 204 are each reenacted and
21 amended to read as follows:

22 Upon a finding of substantial need, the legislative authority of a
23 taxing district other than the state may provide for the use of a limit
24 factor under this chapter of one hundred (~~six~~) one percent or less
25 unless an increase greater than this limit is approved by the voters at
26 an election as provided in RCW 84.55.050. In districts with
27 legislative authorities of four members or less, two-thirds of the
28 members must approve an ordinance or resolution under this section. In
29 districts with more than four members, a majority plus one vote must
30 approve an ordinance or resolution under this section. The new limit
31 factor shall be effective for taxes collected in the following year
32 only.

33 NEW SECTION. **Sec. 4.** RCW 84.55.092 (Protection of future levy
34 capacity) and 1998 c 16 s 3, 1988 c 274 s 4, & 1986 c 107 s 3 are each
35 repealed.

1 NEW SECTION. **Sec. 5.** This act is necessary for the immediate
2 preservation of the public peace, health, or safety, or support of the
3 state government and its existing public institutions, and takes effect
4 immediately.

5 NEW SECTION. **Sec. 6.** Sections 2 and 3 of this act apply both
6 prospectively and retroactively to taxes levied for collection in 2002
7 and thereafter.

--- END ---